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*To ensure access to high-quality,  
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care to Los Angeles County residents  
through direct services at DHS facilities  
and through collaboration with  
community and university partners.*



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September 17, 2013

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENTS TO TWO EXISTING EQUIPMENT  
MAINTENANCE AND REPAIR SERVICES AGREEMENTS  
4th and 5th Supervisorial Districts  
(3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION  
( )  
DISAPPROVE ( )**

**SUBJECT**

Approval of amendments to two equipment maintenance and repair services Agreements at various Department of Health Services' facilities and Department of Coroner and request to delegate authority to execute as needed future amendments to two Agreements.

**IT IS RECOMMENDED THAT THE BOARD:**

1. Authorize the Director of Health Services (Director), or his designee, to execute Amendment No. 1 to Agreement H-703614 with Hologic, Inc. (Hologic), effective upon Board approval, to extend the term of the Agreement for the period of November 1, 2013 through October 31, 2018, for continued provision of equipment maintenance and repair services at Department of Health Services (DHS) facilities listed on Attachment A, with a five-year maximum obligation of \$610,000 through October 31, 2018.
2. Authorize the Director, or his designee, to execute Amendment No. 6 to Agreement H-700151 with Getinge USA, Inc. (Getinge), effective upon Board

approval, to extend the term of the Agreement for the period of January 1, 2014 through December 31, 2016, for continued provision of maintenance and repair services of the sterilization systems at DHS facilities listed on Attachment A, with a three-year maximum obligation of \$182,220 through December 31, 2016.

3. Delegate authority to the Director, or his designee, to amend the above mentioned Agreements to increase the total maximum obligation by no more than 25 percent above the annual maximum obligation of the first contract year of the extended term of each Agreement for a potential increase of \$30,500 for Hologic annually and \$14,620 for Getinge annually to add equipment coming off warranty, to authorize and pay for repairs or maintenance for equipment that is excluded under the Agreement's basic maintenance services, to add as-needed professional services, and add equipment/services to additional DHS locations.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

#### Hologic

Approval of the first recommendation will allow the Director, or his designee, to execute an Amendment to the Agreement with Hologic, substantially similar to Exhibit I, for the continued provision of equipment maintenance and repair services at Olive View-UCLA Medical Center (OV-UCLA MC) and Mid Valley Comprehensive Health Center (CHC). The Hologic mammography equipment, which provides three-dimensional images of a stationary compressed breast, is used for breast cancer screening and diagnosis by helping to find cancers earlier or to find cancers that may be missed with the traditional two-dimensional mammography alone.

The Contractor has agreed to not increase its current rates in return for the recommended five-year extension period.

#### Getinge

Approval of the second recommendation will allow the Director, or his designee, to execute an Amendment to the Agreement with Getinge, substantially similar to Exhibit II, for the continued provision of maintenance and repair services for Getinge sterilization systems used to disinfect patient care equipment at OV-UCLA MC, High Desert Multi-Service Ambulatory Care Center (HD MACC), and Rancho Los Amigos National Rehabilitation Center (RLANRC). An important goal of all health care treatments is preventing the spread of infections among patients and medical staff. The use of disinfection and sterilization systems such as the ones provided by Getinge is vital to safeguarding health, as well as avoiding the additional costs and problems that result from infections originating from treatment or care.

Getinge was only willing to extend the Agreement with an increase of four percent, due to increased labor costs for repairs and parts, especially at OV-UCLA MC, whose equipment is more than 25 years old. In addition, the Getinge sterilization systems use proprietary software and therefore only Getinge can service their own equipment with no potential alternative contractor. DHS believes the recommended extension is the only viable option to ensure appropriate coverage.

#### Delegated Authority

Approval of the third recommendation will allow the Director, or his designee, to increase the maximum obligation of each of the above Agreements up to 25 percent of the annual agreement maximum of the first contract year of the extension, if necessary, to add equipment coming off warranty, to delete equipment no longer in service, to authorize and pay for repairs or maintenance for equipment that is excluded under the Agreement's basic maintenance services, to add as-needed professional services, and add equipment/services to additional DHS locations. In accordance with Board Policy 5.120, on September 3, 2013, DHS provided the Board, with a copy to Chief Executive Officer, the required two-week notice of intent to request a delegation of authority in excess of 10 percent.

The Joint Commission on the Accreditation of Healthcare Organizations (The Joint Commission) requires facilities to ensure routine preventative maintenance, timely repairs, and performance/safety testing of its equipment and to maintain patient safety. Therefore, this delegated authority is necessary to enable the Agreement to be amended timely to guarantee that the critical equipment is maintained appropriately, as well as to meet the requirements of The Joint Commission. Board policy generally allows delegated authority to increase the maximum obligation up to 10 percent. However, based on experience in recent years with several other equipment maintenance service agreements, DHS believes that requesting 25 percent for potential increases is appropriate since adding even a few pieces of equipment or an additional facility may require a significant funding increase.

The DHS facilities will only request that equipment, locations, or services be added if additional services are needed and funding is available in the facility's budget

### **Implementation of Strategic Plan Goals**

The recommended actions support Goal 1, Operational Effectiveness, and Goal 3, Integrated Services Delivery, of the County's Strategic Plan.

### **FISCAL IMPACT/FINANCING**

The total five-year maximum obligation of Hologic is \$610,000. The total two-year maximum obligation for Getinge is \$182,220. The maximum obligation for each facility by Agreement by Fiscal Year is identified in Attachment A.

The total five-year potential increase under the 25 percent delegated authority for Hologic is \$152,500 and the total three-year potential increase for Getinge is \$43,860 and would be funded using existing resources.

Funding is included in DHS's Fiscal Year 2013-14 Adopted Budget and will be requested in future fiscal years as necessary.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Hologic

The Board approved an Agreement with Hologic on November 12, 2008 for the provision of maintenance and repair services of the mammography equipment, effective November 12, 2008 through October 31, 2013.

## Getinge

The Board approved an Agreement with Getinge on June 17, 2003. Subsequent amendments extended the term through December 31, 2013. Under delegated authority, DHS added RLANRC to this Agreement on December 10, 2010. HD MACC will only utilize this Agreement for the first four months in 2014 because the Getinge equipment will not be used at the new MACC when it opens in Spring 2014.

## Original Equipment Manufacturer (OEM)

Hologic and Getinge are the OEMs that use proprietary technology in their equipment to ensure the competitors cannot service the equipment or limit the availability of the parts to the 3rd party. When the warranty expires, the best option is to contract with the OEM to ensure that the equipment is maintained in accordance with equipment specifications. Another benefit to contracting with the OEM is the guarantee of faster access to OEM parts when repair services, especially for emergencies, are needed.

## ALL AGREEMENTS

These Agreements are not subject to Proposition A as these services cannot currently be provided by County staff, and are not subject to the Living Wage Program (Los Angeles County Code Chapter 2.201).

Exhibits I through II

County Counsel has reviewed and approved Exhibits I and II as to form.

## **CONTRACTING PROCESS**

Hologic and Getinge are OEMs that use proprietary technology in their equipment to ensure that the competitors cannot service the equipment or limit the availability of parts to the third party. When the original equipment purchase warranty expires, the best option is to contract with the OEM to ensure the equipment is maintained in accordance with equipment specifications. Another benefit to contracting with OEM is the guarantee of faster access to OEM parts when repair services, especially for emergencies, are needed.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of the recommendations will allow DHS and the Department of the Coroner to obtain ongoing critical equipment maintenance and repair services for facility operations.

The Honorable Board of Supervisors

9/17/2013

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Respectfully submitted,

A handwritten signature in black ink, reading "Mitchell Katz". The signature is written in a cursive, flowing style.

Mitchell H. Katz, M.D.

Director

MHK:jc

Enclosures

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors

**DEPARTMENT OF HEALTH SERVICES**  
**Equipment Maintenance & Repair Services**  
**Fiscal Year Summary**

<b>Hologic</b>							
Facilities	Nov 1, 2013 - Jun 30, 2014	Jul 1, 2014 - Jun 30, 2015	Jul 1, 2015 - Jun 30, 2016	Jul 1, 2016 - Jun 30, 2017	Jul 1, 2017 - Jun 30, 2018	Jul 1, 2018 - Oct 31, 2018	Total Cost
OV-UCLA MC	\$56,000	\$84,000	\$84,000	\$84,000	\$84,000	\$28,000	<b>\$420,000</b>
Mid Valley CHC	\$25,333	\$38,000	\$38,000	\$38,000	\$38,000	\$12,667	<b>\$190,000</b>
<b>Total - DHS</b>	<b>\$81,333</b>	<b>\$122,000</b>	<b>\$122,000</b>	<b>\$122,000</b>	<b>\$122,000</b>	<b>\$40,667</b>	<b>\$610,000</b>

<b>Getinge</b>						
Facilities	Jan 1, 2014 - Jun 30, 2014	Jul 1, 2014 - Jun 30, 2015	Jul 1, 2015 - Jun 30, 2016	Jul 1, 2016 - Dec 31, 2016		Total Cost
OV-UCLA MC	\$26,415	\$52,829	\$52,829	\$26,415		<b>\$158,487</b>
HD MACC *	\$6,780	\$0	\$0	\$0		<b>\$6,780</b>
RLANRC	\$2,826	\$5,651	\$5,651	\$2,826		<b>\$16,953</b>
<b>Total - DHS</b>	<b>\$36,020</b>	<b>\$58,480</b>	<b>\$58,480</b>	<b>\$29,240</b>		<b>\$182,220</b>

\* equipment at HD MACC will be removed as of 4/31/2014

<b>Total DHS:</b>	<b>\$792,220</b>
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**MAMOGRAPHY EQUIPMENT PREVENTIVE MAINTENANCE AND REPAIR SERVICES  
AGREEMENT**

**AMENDMENT NO. 1**

THIS AMENDMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2013.

By and between

COUNTY OF LOS ANGELES  
(hereafter "County")

And

HOLOGIC, INC.  
(hereafter "Contractor").

Business Address:  
2585 Augustine Drive  
Santa Clara, CA 95054

WHEREAS, reference is made to that certain document entitled, "MAMOGRAPHY EQUIPMENT PREVENTIVE MAINTENANCE AND REPAIR SERVICES AGREEMENT", dated November 12, 2008, and further identified as County Agreement No. H-703614 thereto (all hereafter referred to as "Agreement"); and

WHEREAS, it is the intent of the parties hereto to extend the term and make other changes set forth herein; and

WHEREAS, Agreement provides that changes in accordance with Paragraph 16, ALTERATION OF TERMS, may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall commence and become effective upon execution.
2. Agreement, Paragraph 1, Term, shall be deleted in its entirety and replaced as follows:

“1. TERM:

A. The term of this Agreement shall commence on November 12, 2008, and shall continue in full force and effect to midnight October 31, 2018, unless sooner canceled or terminated as provided herein.

B. The County maintains databases that track/monitor Contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise an Agreement term extension option.

C. The Contractor shall notify DHS when this Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to DHS at the address herein provided in this Agreement, Paragraph 18, NOTICES, Subparagraph A(1)."

3. Agreement, Paragraph 4, Billing and Payment, Subparagraph A, shall be deleted in its entirety and replaced as follows:

"A. County agrees to compensate Contractor in accordance with terms of this Agreement at the rates set forth in the Schedules (each applicable per its specified date) that have been formally attached and incorporated into this Agreement by written Amendment."

4. Agreement, Paragraph 5, Maximum Obligation of County, Subparagraphs B and C, shall be deleted in their entirety and replaced as follows:

"B. Between November 1, 2013 through October 31, 2018 the maximum obligation of County for all services provided hereunder shall not exceed Six Hundred Ten Thousand Dollars (\$610,000).

C. During the term of this Agreement, the Director, or his designee, may amend this Agreement if additional maintenance and repair services and professional services are needed, and may adjust the maximum obligation by no more than Thirty Thousand, Five Hundred Dollars (\$30,500) annually. In order to effectuate such a change a written amendment to the Agreement, which is formally approved by the parties, must be executed.

D. The Contractor shall maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total Agreement authorization under this Agreement. Upon occurrence of this event, the Contractor shall send written notification to the DHS at the address herein provided in this Agreement, Paragraph 18, NOTICES, Subparagraph A(1)."

5. Agreement, Paragraph 8, General Insurance Requirements, shall be deleted in its entirety and replaced as follows:



“8. GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

Without limiting Contractor's indemnification of County, and in the performance of this Agreement and until all of its obligations pursuant to this Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraphs 8 and 9 of this Agreement. These minimum insurance coverage terms, types and limits (the “Required Insurance”) also are in addition to and separate from any other Contractual obligation imposed upon Contractor pursuant to this Agreement. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Agreement.

A. Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor’s General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Agreement.
- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor’s policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.
- Neither the County’s failure to obtain, nor the County’s receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles  
Department of Health Services  
Contracts and Grants Division  
313 N. Figueroa Street, 6E  
Los Angeles, CA 90012  
Attention: Kathy K. Hanks, C.P.M.  
Director, Contracts and Grants

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Agreement, and could result in the filing of a claim or lawsuit against Contractor and/or County.

**B. Additional Insured Status and Scope of Coverage**

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

**C. Cancellation of or Changes in Insurance**

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Agreement, in the sole discretion of the County, upon which the County may suspend or terminate this Agreement.

D. Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Agreement, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Agreement. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

E. Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

F. Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Agreement, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

G. Waivers of Subrogation

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Agreement. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

H. Sub-Contractor Insurance Coverage Requirements

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

I. Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

J. Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Agreement. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination or cancellation.

K. Application of Excess Liability Coverage

Contractors may use a combination of primary and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

L. Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

M. Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

N. County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures."

6. Agreement, Paragraph 12, Contractor's Obligation as an Other Entity under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), shall be deleted in its entirety and replaced as follows:

"12. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 (HIPAA): The County is subject to the Administrative Simplification requirements and prohibitions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (HIPAA), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, the "HIPAA Rules"). Under this Agreement, the Contractor provides services to the County and the Contractor receives, has access to, and/or creates Protected Health Information as defined in Exhibit B in order to provide those services. The County and the Contractor therefore agree to the terms of Exhibit B, Business Associate Agreement Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA)."

7. Agreement is modified to add STANDARD PROVISIONS, Paragraphs 49, Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program, as follows:

"49. CONTRACTOR'S WARRANTY OF COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Contractor acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers. Unless Contractor qualifies for an exemption or exclusion, Contractor warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this contract will maintain compliance, with Los Angeles Code Chapter 2.206."

8. Agreement is modified to add STANDARD PROVISIONS, Paragraphs 50, Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property Tax Reduction Program, as follows:

"50. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S DEFAULTED PROPERTY TAX REDUCTION PROGRAM: Failure of Contractor to maintain compliance with the requirements set forth in Paragraph 49 - Contractor's Warranty of Compliance with County's Defaulted Property Tax Reduction Program shall constitute default under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure of Contractor to cure such default within 10 days of notice shall be grounds upon which County may terminate this Agreement and/or pursue debarment of Contractor, pursuant to County Code Chapter 2.206."

9. Agreement is modified to add STANDARD PROVISIONS, Paragraphs 51, Background and Security Investigations, as follows:

"51. BACKGROUND AND SECURITY INVESTIGATIONS

51.1 At the discretion of the County, all Contractor staff performing work under this Agreement may be required to undergo and pass, to the satisfaction of County, a background investigation as a condition of beginning and continuing to work under this Agreement. County shall use its discretion in determining the method of background clearance to be used, which may include but is not limited to fingerprinting. The fees associated with obtaining the background information shall be at the expense of the Contractor, regardless if the Contractor's staff passes or fails the background clearance investigation. County may perform the background check and bill Contractor

for the cost or deduct such amount from funds owed by County to Contractor.

51.2 County may request that the Contractor's staff be immediately removed from working on the County Agreement at any time during the term of this Agreement. County will not provide to the Contractor nor to the Contractor's staff any information obtained through the County conducted background clearance.

51.3 County may immediately, at the sole discretion of the County, deny or terminate facility access to the Contractor's staff that do not pass such investigation(s) to the satisfaction of the County whose background or conduct is incompatible with County facility access.

51.4 Disqualification, if any, of the Contractor's staff, pursuant to this Sub-paragraph shall not relieve the Contractor of its obligation to complete all work in accordance with the terms and conditions of this Agreement."

10. Agreement, Exhibit A, Statement of Work, Paragraph 10, Billing and Payment, Subparagraph A, Subsection (1), shall be deleted in its entirety and replaced as follows:

"(1) Billings to County shall be submitted monthly in arrears in accordance with the rates set forth in the Schedules (each applicable per its specified date) that have been formally attached and incorporated into this Agreement by written Amendment."

11. Agreement is modified to add Exhibit B, Business Associate Agreement under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), attached hereto and incorporated herein by reference.

12. Agreement is modified to add Schedule 6, attached hereto and incorporated herein by reference. All references to a Schedule in this Agreement shall now also include Schedule 6.

13. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by its Director of Health Services, and Contractor has caused this Amendment to be executed in its behalf by its duly authorized officer, the day, month and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_

Mitchell H. Katz, M.D.  
Director of Health Services

HOLOGIC, INC.  
Contractor

\_\_\_\_\_  
Signature

By \_\_\_\_\_  
Printed Name

Title \_\_\_\_\_

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL

## **BUSINESS ASSOCIATE AGREEMENT UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA")**

County is a Covered Entity as defined by, and subject to the requirements and prohibitions of, the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 ("HIPAA"), and regulations promulgated thereunder, including the Privacy, Security, Breach Notification, and Enforcement Rules at 45 Code of Federal Regulations (C.F.R.) Parts 160 and 164 (collectively, the "HIPAA Rules").

Contractor performs or provides functions, activities or services to County that require Contractor in order to provide such functions, activities or services to create, access, receive, maintain, and/or transmit information that includes or that may include Protected Health Information, as defined by the HIPAA Rules. As such, Contractor is a Business Associate, as defined by the HIPAA Rules, and is therefore subject to those provisions of the HIPAA Rules that are applicable to Business Associates.

The HIPAA Rules require a written agreement ("Business Associate Agreement") between County and Contractor in order to mandate certain protections for the privacy and security of Protected Health Information, and these HIPAA Rules prohibit the disclosure to or use of Protected Health Information by Contractor if such an agreement is not in place.

This Business Associate Agreement and its provisions are intended to protect the privacy and provide for the security of Protected Health Information disclosed to or used by Contractor in compliance with the HIPAA Rules.

Therefore, the parties agree as follows:

### **1. DEFINITIONS**

- 1.1 "Breach" has the same meaning as the term "breach" at 45 C.F.R. § 164.402.
- 1.2 "Business Associate" has the same meaning as the term "business associate" at 45 C.F.R. § 160.103. For the convenience of the parties, a "business associate" is a person or entity, other than a member of the workforce of covered entity, who performs functions or activities on behalf of, or provides certain services to, a covered entity that involve access by the business associate to Protected Health Information. A "business associate" also is a subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of another business associate. And in reference to the party to this Business Associate Agreement "Business Associate" shall mean Contractor.



- 1.3 "Covered Entity" has the same meaning as the term "covered entity" at 45 C.F.R. § 160.103, and in reference to the party to this Business Associate Agreement, "Covered Entity" shall mean County.
- 1.4 "Data Aggregation" has the same meaning as the term "data aggregation" at 45 C.F.R. § 164.501.
- 1.5 "De-identification" refers to the de-identification standard at 45 C.F.R. § 164.514.
- 1.6 "Designated Record Set" has the same meaning as the term "designated record set" at 45 C.F.R. § 164.501.
- 1.7 "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its workforce. (See 45 C.F.R. § 160.103.)
- 1.8 "Electronic Health Record" means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff. (See 42 U.S. C. § 17921.)
- 1.9 "Electronic Media" has the same meaning as the term "electronic media" at 45 C.F.R. § 160.103. For the convenience of the parties, electronic media means (1) Electronic storage material on which data is or may be recorded electronically, including, for example, devices in computers (hard drives) and any removable/transportable digital memory medium, such as magnetic tape or disk, optical disk, or digital memory card; (2) Transmission media used to exchange information already in electronic storage media. Transmission media include, for example, the Internet, extranet or intranet, leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media if the information being exchanged did not exist in electronic form immediately before the transmission.
- 1.10 "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" at 45 C.F.R. § 160.103, limited to Protected Health Information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Electronic Protected Health Information means Protected Health Information that is (i) transmitted by electronic media; (ii) maintained in electronic media.

- 1.11 "Health Care Operations" has the same meaning as the term "health care operations" at 45 C.F.R. § 164.501.
- 1.12 "Individual" has the same meaning as the term "individual" at 45 C.F.R. § 160.103. For the convenience of the parties, Individual means the person who is the subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502 (g).
- 1.13 "Law Enforcement Official" has the same meaning as the term "law enforcement official" at 45 C.F.R. § 164.103.
- 1.14 "Minimum Necessary" refers to the minimum necessary standard at 45 C.F.R. § 162.502 (b).
- 1.15 "Protected Health Information" has the same meaning as the term "protected health information" at 45 C.F.R. § 160.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity. For the convenience of the parties, Protected Health Information includes information that (i) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (ii) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (iii) is created, received, maintained, or transmitted by Business Associate from or on behalf of Covered Entity, and includes Protected Health Information that is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Protected Health Information.
- 1.16 "Required by Law" " has the same meaning as the term "required by law" at 45 C.F.R. § 164.103.
- 1.17 "Secretary" has the same meaning as the term "secretary" at 45 C.F.R. § 160.103
- 1.18 "Security Incident" has the same meaning as the term "security incident" at 45 C.F.R. § 164.304.
- 1.19 "Services" means, unless otherwise specified, those functions, activities, or services in the applicable underlying Agreement, Contract, Master Agreement, Work Order, or Purchase Order or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

- 1.20 "Subcontractor" has the same meaning as the term "subcontractor" at 45 C.F.R. § 160.103.
- 1.21 "Unsecured Protected Health Information" has the same meaning as the term "unsecured protected health information" at 45 C.F.R. § 164.402.
- 1.22 "Use" or "Uses" means, with respect to Protected Health Information, the sharing, employment, application, utilization, examination or analysis of such Information within Business Associate's internal operations. (See 45 C.F.R § 164.103.)
- 1.23 Terms used, but not otherwise defined in this Business Associate Agreement, have the same meaning as those terms in the HIPAA Rules.

**2. PERMITTED AND REQUIRED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION**

- 2.1 Business Associate may only Use and/or Disclose Protected Health Information as necessary to perform Services, and/or as necessary to comply with the obligations of this Business Associate Agreement.
- 2.2 Business Associate may Use Protected Health Information for de-identification of the information if de-identification of the information is required to provide Services.
- 2.3 Business Associate may Use or Disclose Protected Health Information as Required by Law.
- 2.4 Business Associate shall make Uses and Disclosures and requests for Protected Health Information consistent with the Covered Entity's applicable Minimum Necessary policies and procedures.
- 2.5 Business Associate may Use Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities.
- 2.6 Business Associate may Disclose Protected Health Information as necessary for the proper management and administration of its business or to carry out its legal responsibilities, provided the Disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the Protected Health Information is disclosed (i.e., the recipient) that it will be held confidentially and Used or further Disclosed only as Required by Law or for the purposes for which it was disclosed to the recipient and the recipient notifies

Business Associate of any instances of which it is aware in which the confidentiality of the Protected Health Information has been breached.

- 2.7 Business Associate may provide Data Aggregation services relating to Covered Entity's Health Care Operations if such Data Aggregation services are necessary in order to provide Services.

**3. PROHIBITED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION**

- 3.1 Business Associate shall not Use or Disclose Protected Health Information other than as permitted or required by this Business Associate Agreement or as Required by Law.
- 3.2 Business Associate shall not Use or Disclose Protected Health Information in a manner that would violate Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except for the specific Uses and Disclosures set forth in Sections 2.5 and 2.6.
- 3.3 Business Associate shall not Use or Disclose Protected Health Information for de-identification of the information except as set forth in section 2.2.

**4. OBLIGATIONS TO SAFEGUARD PROTECTED HEALTH INFORMATION**

- 4.1 Business Associate shall implement, use, and maintain appropriate safeguards to prevent the Use or Disclosure of Protected Health Information other than as provided for by this Business Associate Agreement.
- 4.2 Business Associate shall comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for by this Business Associate Agreement.

**5. REPORTING NON-PERMITTED USES OR DISCLOSURES, SECURITY INCIDENTS, AND BREACHES OF UNSECURED PROTECTED HEALTH INFORMATION**

- 5.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information not permitted by this Business Associate Agreement, any Security Incident, and/ or any Breach of Unsecured Protected Health Information as further described in Sections 5.1.1, 5.1.2, and 5.1.3.

- 5.1.1 Business Associate shall report to Covered Entity any Use or Disclosure of Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors not provided for by this Agreement of which Business Associate becomes aware.
- 5.1.2 Business Associate shall report to Covered Entity any Security Incident of which Business Associate becomes aware.
- 5.1.3 Business Associate shall report to Covered Entity any Breach by Business Associate, its employees, representatives, agents, workforce members, or Subcontractors of Unsecured Protected Health Information that is known to Business Associate or, by exercising reasonable diligence, would have been known to Business Associate. Business Associate shall be deemed to have knowledge of a Breach of Unsecured Protected Health Information if the Breach is known, or by exercising reasonable diligence would have been known, to any person, other than the person committing the Breach, who is an employee, officer, or other agent of Business Associate, including a Subcontractor, as determined in accordance with the federal common law of agency.
- 5.2 Except as provided in Section 5.3, for any reporting required by Section 5.1, Business Associate shall provide, to the extent available, all information required by, and within the times frames specified in, Sections 5.2.1 and 5.2.2.
  - 5.2.1 Business Associate shall make an immediate telephonic report upon discovery of the non-permitted Use or Disclosure of Protected Health Information, Security Incident or Breach of Unsecured Protected Health Information to **(562) 940-3335** that minimally includes:
    - (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
    - (b) The number of Individuals whose Protected Health Information is involved;
    - (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);

- (d) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach

5.2.2 Business Associate shall make a written report without unreasonable delay and in no event later than three (3) business days from the date of discovery by Business Associate of the non-permitted Use or Disclosure of Protected Health Information, Security Incident, or Breach of Unsecured Protected Health Information and to the **Chief HIPAA Privacy Officer at: Chief HIPAA Privacy Officer, Kenneth Hahn Hall of Administration, 500 West Temple Street, Suite 525, Los Angeles, California 90012, HIPAA@auditor.lacounty.gov**, that includes, to the extent possible:

- (a) A brief description of what happened, including the date of the non-permitted Use or Disclosure, Security Incident, or Breach and the date of Discovery of the non-permitted Use or Disclosure, Security Incident, or Breach, if known;
- (b) The number of Individuals whose Protected Health Information is involved;
- (c) A description of the specific type of Protected Health Information involved in the non-permitted Use or Disclosure, Security Incident, or Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code or other types of information were involved);
- (d) The identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, Used, or Disclosed;
- (e) Any other information necessary to conduct an assessment of whether notification to the Individual(s) under 45 C.F.R. § 164.404 is required;
- (f) Any steps Business Associate believes that the Individual(s) could take to protect him or herself from potential harm from the non-permitted Use or Disclosure, Security Incident, or Breach;
- (g) A brief description of what Business Associate is doing to investigate, to mitigate harm to the Individual(s), and to protect against any further similar occurrences; and

- (h) The name and contact information for a person highly knowledgeable of the facts and circumstances of the non-permitted Use or Disclosure of PHI, Security Incident, or Breach.
- 5.2.3 If Business Associate is not able to provide the information specified in Section 5.2.1 or 5.2.2 at the time of the required report, Business Associate shall provide such information promptly thereafter as such information becomes available.
- 5.3 Business Associate may delay the notification required by Section 5.1.3, if a law enforcement official states to Business Associate that notification would impede a criminal investigation or cause damage to national security.
  - 5.3.1 If the law enforcement official's statement is in writing and specifies the time for which a delay is required, Business Associate shall delay its reporting and/or notification obligation(s) for the time period specified by the official.
  - 5.3.2 If the statement is made orally, Business Associate shall document the statement, including the identity of the official making the statement, and delay its reporting and/or notification obligation(s) temporarily and no longer than 30 days from the date of the oral statement, unless a written statement as described in Section 5.3.1 is submitted during that time.

## **6. WRITTEN ASSURANCES OF SUBCONTRACTORS**

- 6.1 In accordance with 45 C.F.R. § 164.502 (e)(1)(ii) and § 164.308 (b)(2), if applicable, Business Associate shall ensure that any Subcontractor that creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate is made aware of its status as a Business Associate with respect to such information and that Subcontractor agrees in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to such information.
- 6.2 Business Associate shall take reasonable steps to cure any material breach or violation by Subcontractor of the agreement required by Section 6.1.
- 6.3 If the steps required by Section 6.2 do not cure the breach or end the violation, Contractor shall terminate, if feasible, any arrangement with Subcontractor by which Subcontractor creates, receives, maintains, or transmits Protected Health Information on behalf of Business Associate.
- 6.4 If neither cure nor termination as set forth in Sections 6.2 and 6.3 is feasible, Business Associate shall immediately notify County.

- 6.5 Without limiting the requirements of Section 6.1, the agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall require Subcontractor to contemporaneously notify Covered Entity in the event of a Breach of Unsecured Protected Health Information.
- 6.6 Without limiting the requirements of Section 6.1, agreement required by Section 6.1 (Subcontractor Business Associate Agreement) shall include a provision requiring Subcontractor to destroy, or in the alternative to return to Business Associate, any Protected Health Information created, received, maintained, or transmitted by Subcontractor on behalf of Business Associate so as to enable Business Associate to comply with the provisions of Section 18.4.
- 6.7 Business Associate shall provide to Covered Entity, at Covered Entity's request, a copy of any and all Subcontractor Business Associate Agreements required by Section 6.1.
- 6.8 Sections 6.1 and 6.7 are not intended by the parties to limit in any way the scope of Business Associate's obligations related to Subcontracts or Subcontracting in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

## **7. ACCESS TO PROTECTED HEALTH INFORMATION**

- 7.1 To the extent Covered Entity determines that Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within two (2) business days after receipt of a request from Covered Entity, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and shall provide such Individuals(s) or other person(s) designated by Covered Entity with a copy the specified Protected Health Information, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.524.
- 7.2 If any Individual requests access to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within two (2) days of the receipt of the request. Whether access shall be provided or denied shall be determined by Covered Entity.
- 7.3 To the extent that Business Associate maintains Protected Health Information that is subject to access as set forth above in one or more Designated Record



Sets electronically and if the Individual requests an electronic copy of such information, Business Associate shall provide the Individual with access to the Protected Health Information in the electronic form and format requested by the Individual, if it is readily producible in such form and format; or, if not, in a readable electronic form and format as agreed to by Covered Entity and the Individual.

## **8. AMENDMENT OF PROTECTED HEALTH INFORMATION**

- 8.1 To the extent Covered Entity determines that any Protected Health Information is maintained by Business Associate or its agents or Subcontractors in a Designated Record Set, Business Associate shall, within ten (10) business days after receipt of a written request from Covered Entity, make any amendments to such Protected Health Information that are requested by Covered Entity, in order for Covered Entity to meet the requirements of 45 C.F.R. § 164.526.
- 8.2 If any Individual requests an amendment to Protected Health Information directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request. Whether an amendment shall be granted or denied shall be determined by Covered Entity.

## **9. ACCOUNTING OF DISCLOSURES OF PROTECTED HEALTH INFORMATION**

- 9.1 Business Associate shall maintain an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or Subcontractors, as is determined by Covered Entity to be necessary in order to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.
- 9.1.1 Any accounting of disclosures provided by Business Associate under Section 9.1 shall include:
- (a) The date of the Disclosure;
  - (b) The name, and address if known, of the entity or person who received the Protected Health Information;
  - (c) A brief description of the Protected Health Information Disclosed; and
  - (d) A brief statement of the purpose of the Disclosure.

- 9.1.2 For each Disclosure that could require an accounting under Section 9.1, Business Associate shall document the information specified in Section 9.1.1, and shall maintain the information for six (6) years from the date of the Disclosure.
- 9.2 Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of a written request from Covered Entity, information collected in accordance with Section 9.1.1 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528
- 9.3 If any Individual requests an accounting of disclosures directly from Business Associate or its agents or Subcontractors, Business Associate shall notify Covered Entity in writing within five (5) days of the receipt of the request, and shall provide the requested accounting of disclosures to the Individual(s) within 30 days. The information provided in the accounting shall be in accordance with 45 C.F.R. § 164.528.

## **10. COMPLIANCE WITH APPLICABLE HIPAA RULES**

- 10.1 To the extent Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with the requirements of Subpart E that apply to Covered Entity's performance of such obligation(s).
- 10.2 Business Associate shall comply with all HIPAA Rules applicable to Business Associate in the performance of Services.

## **11. AVAILABILITY OF RECORDS**

- 11.1 Business Associate shall make its internal practices, books, and records relating to the Use and Disclosure of Protected Health Information received from, or created or received by Business Associate on behalf of Covered Entity available to the Secretary for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations.
- 11.2 Unless prohibited by the Secretary, Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

## **12. MITIGATION OF HARMFUL EFFECTS**

- 12.1 Business Associate shall mitigate, to the extent practicable, any harmful effect of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Business Associate Agreement that is known to Business Associate.

**13. BREACH NOTIFICATION TO INDIVIDUALS**

- 13.1 Business Associate shall, to the extent Covered Entity determines that there has been a Breach of Unsecured Protected Health Information by Business Associate, its employees, representatives, agents or Subcontractors, provide breach notification to the Individual in a manner that permits Covered Entity to comply with its obligations under 45 C.F.R. § 164.404.

- 13.1.1 Business Associate shall notify, subject to the review and approval of Covered Entity, each Individual whose Unsecured Protected Health Information has been, or is reasonably believed to have been, accessed, acquired, Used, or Disclosed as a result of any such Breach.

- 13.1.2 The notification provided by Business Associate shall be written in plain language, shall be subject to review and approval by Covered Entity, and shall include, to the extent possible:

- (a) A brief description of what happened, including the date of the Breach and the date of the Discovery of the Breach, if known;
- (b) A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
- (c) Any steps the Individual should take to protect him or herself from potential harm resulting from the Breach;
- (d) A brief description of what Business Associate is doing to investigate the Breach, to mitigate harm to Individual(s), and to protect against any further Breaches; and
- (e) Contact procedures for Individual(s) to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

- 13.2 Covered Entity, in its sole discretion, may elect to provide the notification required by Section 13.1 and/or to establish the contact procedures described in Section 13.1.2.
- 13.3 Business Associate shall reimburse Covered Entity any and all costs incurred by Covered Entity, in complying with Subpart D of 45 C.F.R. Part 164, including but not limited to costs of notification, internet posting, or media publication, as a result of Business Associate's Breach of Unsecured Protected Health Information; Covered Entity shall not be responsible for any costs incurred by Business Associate in providing the notification required by 13.1 or in establishing the contact procedures required by Section 13.1.2.

**14. INDEMNIFICATION**

- 14.1 Business Associate shall indemnify, defend, and hold harmless Covered Entity, its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, expenses (including attorney and expert witness fees), and penalties and/or fines (including regulatory penalties and/or fines), arising from or connected with Business Associate's acts and/or omissions arising from and/or relating to this Business Associate Agreement, including, but not limited to, compliance and/or enforcement actions and/or activities, whether formal or informal, by the Secretary or by the Attorney General of the State of California.
- 14.2 Section 14.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Insurance and/or Indemnification in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

**15. OBLIGATIONS OF COVERED ENTITY**

- 15.1 Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the Use or Disclosure of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own Uses and Disclosures accordingly.
- 15.2 Covered Entity shall not request Business Associate to Use or Disclose Protected Health Information in any manner that would not be permissible under Subpart E of 45 C.F.R. Part 164 if done by Covered Entity, except to the extent

that Business Associate may Use or Disclose Protected Health Information as provided in Sections 2.3, 2.5, and 2.6.

**16. TERM**

- 16.1 Unless sooner terminated as set forth in Section 17, the term of this Business Associate Agreement shall be the same as the term of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other service arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 16.2 Notwithstanding Section 16.1, Business Associate's obligations under Sections 11, 14, and 18 shall survive the termination or expiration of this Business Associate Agreement.

**17. TERMINATION FOR CAUSE**

- 17.1 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and the breaching party has not cured the breach or ended the violation within the time specified by the non-breaching party, which shall be reasonable given the nature of the breach and/or violation, the non-breaching party may terminate this Business Associate Agreement.
- 17.2 In addition to and notwithstanding the termination provisions set forth in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, if either party determines that the other party has violated a material term of this Business Associate Agreement, and cure is not feasible, the non-breaching party may terminate this Business Associate Agreement immediately.

**18. DISPOSITION OF PROTECTED HEALTH INFORMATION UPON TERMINATION OR EXPIRATION**

- 18.1 Except as provided in Section 18.3, upon termination for any reason or expiration of this Business Associate Agreement, Business Associate shall return or, if agreed to by Covered entity, shall destroy as provided for in Section 18.2, all Protected Health Information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity, that

Business Associate, including any Subcontractor, still maintains in any form. Business Associate shall retain no copies of the Protected Health Information.

- 18.2 Destruction for purposes of Section 18.2 and Section 6.6 shall mean that media on which the Protected Health Information is stored or recorded has been destroyed and/or electronic media have been cleared, purged, or destroyed in accordance with the use of a technology or methodology specified by the Secretary in guidance for rendering Protected Health Information unusable, unreadable, or indecipherable to unauthorized individuals.
- 18.3 Notwithstanding Section 18.1, in the event that return or destruction of Protected Health Information is not feasible or Business Associate determines that any such Protected Health Information is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities, Business Associate may retain that Protected Health Information for which destruction or return is infeasible or that Protected Health Information which is necessary for Business Associate to continue its proper management and administration or to carry out its legal responsibilities and shall return or destroy all other Protected Health Information.
- 18.3.1 Business Associate shall extend the protections of this Business Associate Agreement to such Protected Health Information, including continuing to use appropriate safeguards and continuing to comply with Subpart C of 45 C.F.R Part 164 with respect to Electronic Protected Health Information, to prevent the Use or Disclosure of such information other than as provided for in Sections 2.5 and 2.6 for so long as such Protected Health Information is retained, and Business Associate shall not Use or Disclose such Protected Health Information other than for the purposes for which such Protected Health Information was retained.
- 18.3.2 Business Associate shall return or, if agreed to by Covered entity, destroy the Protected Health Information retained by Business Associate when it is no longer needed by Business Associate for Business Associate's proper management and administration or to carry out its legal responsibilities.
- 18.4 Business Associate shall ensure that all Protected Health Information created, maintained, or received by Subcontractors is returned or, if agreed to by Covered entity, destroyed as provided for in Section 18.2.

## **19. AUDIT, INSPECTION, AND EXAMINATION**

- 19.1 Covered Entity reserves the right to conduct a reasonable inspection of the facilities, systems, information systems, books, records, agreements, and

policies and procedures relating to the Use or Disclosure of Protected Health Information for the purpose determining whether Business Associate is in compliance with the terms of this Business Associate Agreement and any non-compliance may be a basis for termination of this Business Associate Agreement and the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, as provided for in section 17.

- 19.2 Covered Entity and Business Associate shall mutually agree in advance upon the scope, timing, and location of any such inspection.
- 19.3 At Business Associate's request, and to the extent permitted by law, Covered Entity shall execute a nondisclosure agreement, upon terms and conditions mutually agreed to by the parties.
- 19.4 That Covered Entity inspects, fails to inspect, or has the right to inspect as provided for in Section 19.1 does not relieve Business Associate of its responsibility to comply with this Business Associate Agreement and/or the HIPAA Rules or impose on Covered Entity any responsibility for Business Associate's compliance with any applicable HIPAA Rules.
- 19.5 Covered Entity's failure to detect, its detection but failure to notify Business Associate, or its detection but failure to require remediation by Business Associate of an unsatisfactory practice by Business Associate, shall not constitute acceptance of such practice or a waiver of Covered Entity's enforcement rights under this Business Associate Agreement or the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 19.6 Section 19.1 is not intended by the parties to limit in any way the scope of Business Associate's obligations related to Inspection and/or Audit and/or similar review in the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.

## **20. MISCELLANEOUS PROVISIONS**

- 20.1 Disclaimer. Covered Entity makes no warranty or representation that compliance by Business Associate with the terms and conditions of this Business Associate

Agreement will be adequate or satisfactory to meet the business needs or legal obligations of Business Associate.

- 20.2 HIPAA Requirements. The Parties agree that the provisions under HIPAA Rules that are required by law to be incorporated into this Amendment are hereby incorporated into this Agreement.
- 20.3 No Third Party Beneficiaries. Nothing in this Business Associate Agreement shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.
- 20.4 Construction. In the event that a provision of this Business Associate Agreement is contrary to a provision of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order, or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate, the provision of this Business Associate Agreement shall control. Otherwise, this Business Associate Agreement shall be construed under, and in accordance with, the terms of the applicable underlying Agreement, Contract, Master Agreement, Work Order, Purchase Order or other services arrangement, with or without payment, that gives rise to Contractor's status as a Business Associate.
- 20.5 Regulatory References. A reference in this Business Associate Agreement to a section in the HIPAA Rules means the section as in effect or as amended.
- 20.6 Interpretation. Any ambiguity in this Business Associate Agreement shall be resolved in favor of a meaning that permits the parties to comply with the HIPAA Rules.
- 20.7 Amendment. The parties agree to take such action as is necessary to amend this Business Associate Agreement from time to time as is necessary for Covered Entity or Business Associate to comply with the requirements of the HIPAA Rules and any other privacy laws governing Protected Health Information.



**Hologic, Inc.**  
**Mammography Equipment Preventive Maintenance and Repair Services**  
**Effective November 1, 2013 through October 31, 2018**

Equipment Model	Serial Number	Service Type	No. of PMs	Hologic Listed Price	County Discounted Annual Price	Monthly Payment
<b>OLIVE VIEW-UCLA MEDICAL CENTER</b>						
Selenia Mobile	M	Platinum *	2	\$42,000	\$33,600	\$2,800
Selenia Acquisition Workstation Upgrade				\$15,000	\$0	\$0
Selenia Plastics **				\$500	\$400	\$33
SecurView DX	29808050294	Platinum	2	\$10,000	\$8,000	\$667
SecurView DX Firestorm Upgrade				\$25,000	\$0	\$0
SecurView DX	2980108B1609	Platinum	2	\$10,000	\$8,000	\$667
Multicare Platinum	31502040812	Gold	2	\$14,680	\$11,744	\$979
Multicare Platinum Image Optimization Upgrade				\$2,500	\$0	\$0
Mini C Arm System	09-0507-31	Gold	2	\$6,500	\$5,525	\$460
Olive View - Services					<b>\$67,269</b>	<b>\$5,606</b>
Reserve Funds***:					\$16,731	
Annual Maximum Obligation:					\$84,000	
<b>MID-VALLEY COMPREHENSIVE HEALTH CENTER</b>						
Selenia Mobile	M	Platinum	2	\$42,000	\$33,600	\$2,800
Selenia Acquisition Workstation Upgrade				\$15,000	\$0	\$0
Selenia Plastics				\$500	\$400	\$33
Mid Valley - Services					<b>\$34,000</b>	<b>\$2,833</b>
Reserve Funds:					\$4,000	
Annual Maximum Obligation:					\$38,000	
Total Services					<b>\$101,269</b>	
Total Reserve Funds:					\$20,731	
Total Annual Maximum Obligation:					\$122,000	

\* Digital Mammography Services Plan - Platinum Service and Analog Mammography Services Plan - Gold Service are described in Exhibit A.

\*\* Plastics Coverage provides replacement for all paddle plastics and face shields broken during the agreement coverage term. Includes five spare paddles to be shipped at the start of amendment.

Out-of-Scope Repair Hourly Rate (excluding travel time):	\$275 (Repairs commence after 5:30 p.m. til 9:00 a.m. and Saturday)
	\$350 (Repairs on Sunday & County holidays)

\*\*\*Includes funding for labor and materials for the following equipment at end-of-life:

Fluoroscanner Port Mini C-Arm Premier 60000 6090232

Fluoroscanner Port Mini C-Arm Premier 60000 07-1103-05 CE

Hourly Labor Rate: \$190 (Weekdays 8:00 a.m. til 5:00 p.m.); Minimum charge of 2 hours (1 hour labor + 1 hour travel); Repairs requested outside of the aforementioned days and hours revert to the hourly rates listed above for Out-of-Scope Repair Hourly Rate.

**PREVENTIVE MAINTENANCE SERVICES AGREEMENT**

**AMENDMENT NO. 6**

THIS AMENDMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2013.

By and between

COUNTY OF LOS ANGELES  
(hereafter "County")

And

GETINGE USA, INC.  
(hereafter "Contractor").

Business Address:  
1777 East Henrietta Road  
Rochester, NY 14623

WHEREAS, reference is made to that certain document entitled, "EQUIPMENT MAINTENANCE AND REPAIR SERVICES AGREEMENT", dated June 17, 2003, and further identified as County Agreement No. H-700151 thereto (all hereafter referred to as "Agreement"); and

WHEREAS, it is the intent of the parties hereto to extend the term and make other changes described hereinafter; and

WHEREAS, Agreement provides that changes in accordance with Paragraph 18, ALTERATION OF TERMS, may be made in the form of a written amendment which is formally approved and executed by the parties.

NOW, THEREFORE, the parties agree as follows:

1. This Amendment shall become effective upon execution.
2. Agreement, Paragraph 1, Term, shall be deleted in its entirety and replaced as follows:

"1. TERM:

A. The term of this Agreement shall commence on June 17, 2003, and shall continue in full force and effect to midnight December 31, 2016, unless sooner canceled or terminated as provided herein.

B. The County maintains databases that track/monitor Contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise an Agreement term extension option.

C. The Contractor shall notify DHS when this Agreement is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, the Contractor shall send written notification to DHS at the address herein provided in this Agreement, Paragraph 20, Notices, Subparagraph A(1)."

3. Agreement, Paragraph 4, Billing and Payment, shall be deleted in its entirety and replaced as follows:

"A. County agrees to compensate Contractor in accordance with the terms of this Agreement at the rates set forth in the Schedules (each applicable per its specified date) that have been formally attached and incorporated into this Agreement by written Amendment.

B. Contractor shall bill Olive View-UCLA Medical Center (OLIVE VIEW), Attention: Materials Management, 14445 Olive View Drive, Sylmar, CA 91342 and Rancho Los Amigos National Rehabilitation Center (RANCHO), Attention: General Accounting, SSA Building Room 2208, 7601 E. Imperial Highway, Downey, CA 90242, according to the terms and conditions set forth in this Agreement, including but not limited to, this Paragraph 4, Billing and Payment, and Exhibit A-1, Statement of Work, Paragraph 6, Payment.

C. The Contractor shall maintain a system of record keeping that will allow the Contractor to determine when it has incurred seventy-five percent (75%) of the total Agreement authorization under this Agreement. Upon occurrence of this event, the Contractor shall send written notification to DHS at the address provided in this Agreement, Paragraph 20, NOTICES, Subparagraph A(1)."

4. Agreement, Paragraph 5, Maximum Obligation of County, Subparagraph H shall be deleted in its entirety and replaced as follows:

"H. Between January 1, 2014 through December 31, 2016, the maximum obligation of County for all services provided hereunder shall not exceed One Hundred Eighty-Two Thousand, Two Hundred Twenty Dollars (\$182,220).

5. Agreement, Paragraph 5, Maximum Obligation of County, shall be modified to add the following:

I. Between January 1, 2014 through December 31, 2016, the Director, or his designee, may amend this Agreement if additional maintenance and repair services are needed, and may adjust the maximum obligation by no more than Sixteen Thousand Three Hundred and Fifteen Dollars (\$16,315) annually. In order to effectuate such a change a written amendment to the Agreement, which is formally approved by the parties, must be executed."

6. Agreement, Paragraph 10, General Insurance Requirements, shall be deleted in its entirety and replaced as follows:

"10. GENERAL PROVISIONS FOR ALL INSURANCE COVERAGE

Without limiting Contractor's indemnification of County, and in the performance of this Agreement and until all of its obligations pursuant to this Agreement have been met, Contractor shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in Paragraphs 10 and 11 of this Agreement. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other Contractual obligation imposed upon Contractor pursuant to this Agreement. The County in no way warrants that the Required Insurance is sufficient to protect the Contractor for liabilities which may arise from or relate to this Agreement.

A. Evidence of Coverage and Notice to County

- Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Contractor's General Liability policy, shall be delivered to County at the address shown below and provided prior to commencing services under this Agreement.
- Renewal Certificates shall be provided to County not less than 10 days prior to Contractor's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Contractor and/or Sub-Contractor insurance policies at any time.
- Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this Agreement by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Contractor identified as the contracting party in this Agreement. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured

retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.

- Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Contractor, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.

Certificates and copies of any required endorsements shall be sent to:

County of Los Angeles  
Department of Health Services  
Contracts and Grants Division  
313 N. Figueroa Street, 6E  
Los Angeles, CA 90012  
Attention: Kathy K. Hanks, C.P.M.  
Director, Contracts and Grants

Contractor also shall promptly report to County any injury or property damage accident or incident, including any injury to a Contractor employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Contractor. Contractor also shall promptly notify County of any third party claim or suit filed against Contractor or any of its Sub-Contractors which arises from or relates to this Agreement, and could result in the filing of a claim or lawsuit against Contractor and/or County.

**B. Additional Insured Status and Scope of Coverage**

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Contractor's General Liability policy with respect to liability arising out of Contractor's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

**C. Cancellation of or Changes in Insurance**

Contractor shall provide County with, or Contractor's insurance policies shall contain a provision that County shall receive, written notice of cancellation or

any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the Agreement, in the sole discretion of the County, upon which the County may suspend or terminate this Agreement.

D. Failure to Maintain Insurance

Contractor's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the Agreement, upon which County immediately may withhold payments due to Contractor, and/or suspend or terminate this Agreement. County, at its sole discretion, may obtain damages from Contractor resulting from said breach. Alternatively, the County may purchase the Required Insurance, and without further notice to Contractor, deduct the premium cost from sums due to Contractor or pursue Contractor reimbursement.

E. Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

F. Contractor's Insurance Shall Be Primary

Contractor's insurance policies, with respect to any claims related to this Agreement, shall be primary with respect to all other sources of coverage available to Contractor. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Contractor coverage.

G. Waivers of Subrogation

To the fullest extent permitted by law, the Contractor hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this Agreement. The Contractor shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

H. Sub-Contractor Insurance Coverage Requirements

Contractor shall include all Sub-Contractors as insureds under Contractor's own policies, or shall provide County with each Sub-Contractor's separate evidence of insurance coverage. Contractor shall be responsible for verifying each Sub-Contractor complies with the Required Insurance provisions herein, and shall require that each Sub-Contractor name the County and Contractor as additional insureds on the Sub-Contractor's General Liability policy. Contractor shall obtain County's prior review and approval of any Sub-Contractor request for modification of the Required Insurance.

I. Deductibles and Self-Insured Retentions (SIRs)

Contractor's policies shall not obligate the County to pay any portion of any Contractor deductible or SIR. The County retains the right to require Contractor to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Contractor's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

J. Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this Agreement. Contractor understands and agrees it shall maintain such coverage for a period of not less than three (3) years following Agreement expiration, termination or cancellation.

K. Application of Excess Liability Coverage

Contractors may use a combination of primary and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

L. Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

M. Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Contractor use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

N. County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures."

7. Agreement is modified to add ADITONAL PROVISIONS, Paragraphs 44, Background and Security Investigations, as follows:

"44. BACKGROUND AND SECURITY INVESTIGATIONS

44.1 At the discretion of the County, all Contractor staff performing work under this Agreement may be required to undergo and pass, to the satisfaction of County, a background investigation as a condition of beginning

44.2 County may request that the Contractor's staff be immediately removed from working on the County Agreement at any time during the term of this Agreement. County will not provide to the Contractor nor to the Contractor's staff any information obtained through the County conducted background clearance.

44.4 Disqualification, if any, of the Contractor's staff, pursuant to this Sub-paragraph shall not relieve the Contractor of its obligation to complete all work in accordance with the terms and conditions of this Agreement."

9. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

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IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be executed by its Director of Health Services, and Contractor has caused this Amendment to be executed in its behalf by its duly authorized officer, the day, month and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Mitchell H. Katz, M.D.  
Director of Health Services

GETINGE USA, INC.  
Contractor

\_\_\_\_\_  
Signature

By \_\_\_\_\_  
Printed Name

Title \_\_\_\_\_

APPROVED AS TO FORM:  
OFFICE OF THE COUNTY COUNSEL

**SCHEDULE J**

**GETINGE USA, INC.**

Equipment Maintenance and Repair Services  
Effective January 1, 2014 through December 31, 2016

**OLIVE VIEW-UCLA MEDICAL CENTER**

	Location	Equipment	Model	Serial No.	PM Per Year	1/1/14 - 12/31/14	1/1/15 - 12/31/15	1/1/16 - 12/31/16
1	OR	Gravity Steam Sterilizer	3322	631941	4	\$3,276	\$3,276	\$3,276
2	CS	Vac Steam Sterilizer	4133	640031	4	\$7,688	\$7,688	\$7,688
3	CS	Vac Steam Sterilizer	4133	632495	4	\$7,688	\$7,688	\$7,688
4	Main Lab	Gravity Steam Sterilizer	3422	631861	4	\$8,343	\$8,343	\$8,343
5	CS	Cleaner	7936	852UNK	4	\$2,118	\$2,118	\$2,118
6	CS	Cleaner	7936	853UNK	4	\$2,118	\$2,118	\$2,118
7	CS	Clean/Disnf, Vaxjo	8666	SEV517003	4	\$4,794	\$4,794	\$4,794
8	CS	Clean/Disnf, Merc, C	7800	1011806-01	4	\$5,940	\$5,940	\$5,940
9	OR	Warming Cabinet	5520	W84039	4	\$1,191	\$1,191	\$1,191
10	OR	Warming Cabinet	5520	W84038	4	\$1,191	\$1,191	\$1,191
11	OR	Warming Cabinet	5520	W84040	4	\$1,191	\$1,191	\$1,191
12	CS	Clean/Disnf, Vaxjo	8666	W50028230	4	\$4,795	\$4,795	\$4,795
Invoiced at Quarterly Rate					\$12,583			
<b>Olive View - Services Total</b>						<b>\$50,333</b>	<b>\$50,333</b>	<b>\$50,333</b>
Reserve Funds for Out-of-Scope Repairs						\$2,496	\$2,496	\$2,496
Maximum Obligation						\$52,829	\$52,829	\$52,829

**RANCHO LOS AMIGOS NATIONAL REHABILITATION CENTER**

	Location	Equipment	Model	Serial No.	PM Per Year	1/1/14 - 12/31/14	1/1/15 - 12/31/15	1/1/16 - 12/31/16
1	OR 3/4	Sterilization, 17" Sm	433HC	08D08377	4	\$5,651	\$5,651	\$5,651
Invoiced at Quarterly Rate					\$1,413			
<b>Rancho - Services Total</b>						<b>\$5,651</b>	<b>\$5,651</b>	<b>\$5,651</b>
Reserve Funds for Out-of-Scope Repairs						\$0	\$0	\$0
Maximum Obligation						\$5,651	\$5,651	\$5,651

**HIGH DESERT MULTI-SERVICE AMBULATORY CARE CENTER**

	Location	Equipment	Model	Serial No.	PM Per Year	1/1/14 - 4/30/14 *
1	OR	Sterilization, 17" Sm	433HC	06G06964	4	\$1,529
2	Central	Steam Sterilizer, Unit II, 51"DD	633HC	08H08855	4	\$2,028
3	Central	Watts Pure Water HS, Osmosis Water Process	HS-2400PT	72400340	4	\$1,325
4	Central	Washer/Disinfector 46-4, Water Processor	46-4	SEV0743108	4	\$1,214
5	Central	Generator	CAS-45	GC-32568-008	4	\$684
<b>High Desert - Services Total</b>						<b>\$6,780</b>
Reserve Funds for Out-of-Scope Repairs						\$0
Maximum Obligation						\$6,780

\* High Desert's equipment will be removed from the Agreement on 4/30/2014

<b>Total for Preventive Maintenance and Repair Services</b>						<b>\$62,764</b>	<b>\$55,984</b>	<b>\$55,984</b>
Reserve Funds for Out-of-Scope Repairs						\$2,496	\$2,496	\$2,496
Total Maximum Obligation						\$65,260	\$58,480	\$58,480

PM = preventive maintenance

Preferred Labor Rate: \$160.00 per hour

After-Hours Repair: 5:00 P.M. - 8:00 A.M. Monday through Saturday at 1.5 times of preferred labor rate

Emergency After-Hours Repair: Sundays and Holidays at 2 times of preferred labor rate